

BPW PENSION TRUSTEES

Meeting Minutes

November 28, 2006

A meeting of the Board of Trustees, Public Works Retirement System was held at 11:30 a.m. on Tuesday, November 28, 2006, in the DPW Conference Room located at 9 Riverside Street. Chairman Alderman David W. Deane presided.

Trustees Present: Jim Campbell, Employee Member – Vice-Chairman
Frank Anderson, Mayoral Appointee
Marguerite Dumont, Employee Member
Don Dyer, BPW Commissioner

Trustees Absent:

Others in Attendance: David Fredette, Treasurer/Tax Collector
Kathie Conti, Administrative Assistant

Invited Guests Absent: Robert Hussey, Honorary Trustee

Expected Visitors:

None

Minutes of the Meeting:

The minutes of the October 31, 2006 were presented for review and acceptance.

MOTION BY: Trustee Don Dyer moved to accept, place on file, and approve the minutes of the October 31, 2006 Meeting.

SECONDED BY: Trustee Anderson

MOTION CARRIED: Unanimous

Personnel:

Ms. Conti presented the resignation of Stephen Foster, who resigned on October 10, 2006. Mr. Foster requested a rollover distribution.

MOTION BY: Chairman Deane moved to approve the rollover distribution for Stephen Foster as presented.

SECONDED BY: Trustee Campbell

MOTION CARRIED: Unanimously

Ms. Conti presented the resignation of Richard Reine, who resigned on November 1, 2006. Mr. Reine requested a rollover distribution.

MOTION BY: Chairman Deane moved to approve the rollover distribution for Richard Reine as presented.

SECONDED BY: Trustee Campbell

MOTION CARRIED: Unanimously

Ms. Conti presented the resignation of James O'Mara, who resigned on November 03, 2006. Mr. O'Mara requested a lump sum distribution.

MOTION BY: Chairman Deane moved to approve the lump sum distribution for James O'Mara as presented.

SECONDED BY: Trustee Dyer

MOTION CARRIED: Unanimously

Ms. Conti presented the retirement of Kevin Smith, who retired on November 24, 2006. Mr. Smith requested a weekly retirement benefit.

MOTION BY: Chairman Deane moved to approve the weekly retirement benefit for Kevin Smith as presented.

SECONDED BY: Trustee Campbell

MOTION CARRIED: Unanimously

Ms. Conti presented a death benefit for Normand Godfroy, who died on November 19, 2006. Francoise J Godfroy, his wife and beneficiary of record, was entitled to the \$3000 death benefit. Mr. Godfroy had elected the optional payment of the contingent annuity upon his retirement. Upon his death, his beneficiary will receive a weekly retirement benefit until the time of her death.

MOTION BY: Chairman Deane moved to approve the beneficiary payment of \$3000 to Francoise J Godfroy

SECONDED BY: Trustee Anderson

MOTION CARRIED: Unanimously

Old Business:

The issue of salary determines was the first item discussed. Corporation Counsel had sent a written response to the Trustees a while back, and as City Treasurer David Fredette pointed out the issue is whether to change the City Ordinance to reflect current administrative procedure (as outlined in the employee handbook) or to change the administrative procedure (which includes changing the employee handbook) to follow the current City Ordinance. All in attendance reviewed the City Ordinance and the employee handout book verbiage. Chairman Deane asked City Treasurer Fredette for a definition of last full year of service. Mr. Fredette stated that that meant the last 12 months of service. Chairman Deane asked what the Trustees wanted to do. Trustee Anderson stated that since the Trustees plan was to move

towards a healthier plan, he was leaning towards considering changing the administrative procedure, thus changing the employee handbook. Chairman Deane asked again what the Trustees wanted to do. Trustee Campbell stated that he felt you could not just change the practice just like that. He went on to say that if the impact to the unfunded liability was not the significant, then he felt that the City Ordinance should be changed. Chairman Deane asked if Trustee Campbell was making a motion to change the City Ordinance to reflect what the employee handbook stated. Trustee Campbell stated yes.

MOTION BY: Trustee Campbell to change the City Ordinance to reflect current administrative procedure, as outlined in the employee handbook, for salary determination as it pertains to the calculation for retirement benefits.

SECONDED BY: Trustee Dumont

City Treasurer Fredette stated that he was not a voting member but that his recommendation was to not change the City Ordinance as it was not for the good of the plan. He went on to say that this change would not be in line with other changes that Trustees have been considering improving the plan. Trustee Anderson asked how significant the change would be. The Trustee Campbell, Trustee Anderson, and City Treasurer Fredette agreed that the change was not significant. Trustee Dumont asked why the administrative procedures were different from the City Ordinance to begin with. Ms. Conti explained that up until recently the City Payroll Department did not have the capability to determine employees past 12 months of wages. This capability is now available and thus now not an issue. Trustee Anderson again stated that he felt that they should follow the City Ordinance.

MOTION FAILED: 3-2

MOTION BY: Chairman Deane moved that the employee handbook be changed to reflect the City Ordinance, effective January 1, 2007.

SECONDED BY: Trustee Dyer

MOTION CARRIED: 3-2

Ms. Conti stated that she would update the employee handbook for distribution to the membership.

Ms. Conti brought up another item she had regarding the City Ordinance. Under Sec 2-631 Definitions, the regular interest definition has verbiage that indicates that the interest is compounded annually when in fact regular interest is applied as simple 4% interest. Trustee Campbell asked if the current administrative procedure was in violation of the City Ordinance. Ms. Conti stated that the administrative procedure differed from the City Ordinance. Chairman Deane asked for a recommendation. Discussed the options.

MOTION BY: Trustee Dyer to change the City Ordinance to reflect the past practice of the last 10+ years.

SECONDED BY: Chairman

MOTION CARRIED: 3-2

Chairman Deane asked Trustee Campbell and Trustee Dumont if there were any other items needed to be addressed in the employee handbook. They responded no.

Health care stipend was that next agenda item. Ms. Conti had distributed the worksheets prepared by Bill Bush of Hooker and Holcombe and the minutes from those meetings that the worksheets were discussed. Chairman Deane asked if the Trustees wanted to have a special meeting to discuss the health care stipends. Trustees decided to discuss this topic at the December meeting.

New Business:

Ms. Conti presented her Invoice #40, for \$200, for transcription of minutes, meeting preparation and general administrative work for the Board for payment.

MOTION BY: Chairman Deane moved to approve the payment of Invoice #39, for \$200, as submitted by Kathleen Conti.

SECONDED BY: Trustee Dumont

MOTION CARRIED: Unanimously

Approval of distribution of funds for the period November 01, 2006 thru November 28, 2006, in the amount of \$126,237.53 was presented to the Board. The Trustees reviewed the detail.

MOTION BY: Chairman Deane moved to approve the distribution of funds for the period November 01, 2006 thru November 28, 2006, as presented.

SECONDED BY: Trustee Dumont

MOTION CARRIED: Unanimously

Ms. Conti presented an invoice from Hooker and Holcombe, in the amount of \$6,075, for actuarial services to the trustees for payment approval.

MOTION BY: Chairman Deane moved to approve the payment to Hooker and Holcombe, for \$6075, as submitted.

SECONDED BY: Trustee Dyer

MOTION CARRIED: Unanimously

Ms. Conti informed the Trustees that Bill Bush has left Hooker and Holcombe for a new job. Ms. Conti was asked to contact Hooker and Holcombe to find out whom the new contact will be and to see if they would be available for a conference call for the December meeting. Chairman Deane asked that Trustee Anderson put together a list of questions for the Trustees.

Items by Trustees:

None

Items by the Chairman:

Chairman Deane set Wednesday December 27, 2006 at 11:30AM for the next Trustee meeting.

MOTION TO ADJOURN: Chairman Deane moved to accept Trustee Anderson's motion to adjourn at 12:20 PM.

SECONDED BY: Trustee Dumont

MOTION CARRIED: Unanimously